

Memorandum

To: Teale Data Center Customers

Date: December 1, 2004

From: Stephen P. Teale Data Center

Subject: Teale Data Center Billing Rate Adjustments for FY 2004/05

The Teale Data Center is pleased to announce several adjustments to the published Billing Rates Schedule for Teale services, as well as the addition of new service offerings. Rate reductions resulting from these changes will be retroactive to July 1, 2004, and included on the November 2004 invoice. It may be necessary to distribute the credits over more than one month for some customers to avoid negative invoice generation. In addition, adjustments resulting in rate increases will be effective January 1, 2005.

The following is a summary of key changes to the Teale Billing Rates Schedule:

Rate Decreases

- **CPU** – A decrease of 13 percent, reducing the current rate of \$510.00 to \$443.00 per hour. This change applies to MVS CPU rates only.
- **DASD** – A decrease of 27 percent, reducing the default rate from \$0.0030 to \$0.0022 per megabyte/day. This change applies to both MVS and VM storage.
- **Administrative Overhead** – The current 6 percent administrative charge on pass-through costs will change to 2 percent, plus the 2.56 percent fee* by the Department of General Services (DGS), to equal a total effective overhead of 4.56 percent. In addition, Teale will change the 20 percent dedicated mainframe administrative fee to a consulting/staff support charge per software product, plus the 2 percent Teale administrative rate and the DGS 2.56 percent fee*, to equal 4.56 percent. The new consulting/staff support charge will be implemented during the annual software product renewal period.

* Please note: This fee will be updated each fiscal year to reflect the current DGS Price Book rate.

Rate Realignments

- **Print Services** – An increase of 50 percent to print rates. Currently, the Teale customer rate for this service is less than the amount being charged to the Data Center by the outsource vendor.
- **Pick-up and Delivery Service** – An increase from \$8.40 to \$15.00 per trip. In addition, due to specific increases included in the outsource vendor contract, a rate of \$47.00 has also been added for unscheduled, weekend or holiday deliveries.
- **Off-Site Tape Retrieval** – An increase to the "Emergency Off-Site Tape Retrieval" rate from \$61.00 to \$100.00, which applies when a customer requests the vendor to deliver a tape(s) within 24 hours. In addition, the "Unscheduled Offsite Tape Retrieval" rate will be \$35.00 per trip. This rate applies when the customer requests an unscheduled delivery and provides the vendor with more than 24-hours notice.
- **Raised Floor Space** – An increase in the monthly rate from \$5.00 to \$8.20 per square foot to recover costs for the facility lease rates.
- **Web Services** – An increase from \$50.00 to \$75.00 in the monthly shared web hosting rate. This rate will recover costs for WebTrends, Fail-Over redundancy and routine security scans, which were added after the \$50.00 rate was established.

Rate Methodology Changes

The following changes in Teale's rate methodologies will be implemented in order to recover costs associated with the actual expenditures for these services:

- **Mid-Range Services**

UNIX – A change from a two-tiered to a four-tiered rate structure. Oracle licensing rates will be updated from a concurrent-user to a processor-based license and an Oracle support charge per database instance will also be added to recover Teale staff costs. Due to the comprehensive rate methodology changes to this service, the UNIX Monthly Rate Structure is attached (please refer to "Attachment A").

Windows – New options for customers on a dedicated dual processor server include:

Options	Monthly
2 additional processors (quad processor)	\$ 61
4 additional processors (6-way)	\$ 122
6 additional processors (8-way)	\$ 244
1 GB memory	\$ 29
36 GB disk space	\$ 16
W2K3 Enterprise Edition	\$ 47

Web – A new customized rate for specific server application support (i.e., Websphere, UDB/DB2, etc.) will be offered.

AIX – A change to a four-tiered rate structure to provide a more equitable cost recovery for AIX services. Due to the comprehensive rate methodology changes to this service, the AIX Monthly Rate Structure is attached (please refer to “Attachment B”).

- **Operational Recovery (OR) Service**

Include a new monthly rate of \$3.00 per tape cartridge and a DASD storage monthly rate of \$0.07 per megabyte for customer data.

- **Human Resources Information System (HRIS) Service**

Include a new cost for customers who require repeat HRIS training classes. Currently, the Data Center does not charge for this additional service. Also, Teale will include a per diem cost for out-of-town training and require a 48-hour training cancellation notice. Cancellations within the 48-hours prior to the scheduled training will incur a fee of \$25 per enrolled student. In addition, the refunding of the HRIS startup fee of \$500, which is initially charged to new customers and credited after HRIS implementation, will be discontinued.

- **California Home Page**

The current rate methodology of six categories, which is based on departmental budget size, will be changed to a ten-category scale based on the adjusted state operations budget. The new rates, which adjust the inequities due to the original large category definitions, are as follows:

Budget Size Category	Annual
Under \$4.9 million	\$ -
\$5.0 million to \$9.9 million	\$ 1,000
\$10.0 million to \$89.9 million	\$ 2,500
\$90.0 million to \$199.9 million	\$ 3,500
\$200.0 million to \$499.9 million	\$ 57,500
\$500.0 million to \$999.9 million	\$ 70,500
\$1.0 billion to \$2.9 billion	\$ 211,500
\$3.0 billion to \$4.9 billion	\$ 230,000
\$5.0 billion to \$9.9 billion	\$ 251,000
Over \$10.0 billion	\$ 315,000

New Services

The following are new services being offered by the Data Center:

- **Virtual Private Network (VPN)**

The shared VPN service is designed to serve customers with a need for secured access to the Data Center. The monthly rate for this service is \$4.00 per defined user. Currently, customers using UUNet for remote CSGnet access are billed \$3.85 per hour for connection charges, plus \$5.00 per toll-free access for each logon occurrence. By migrating to VPN at the monthly rate of \$4.00, these customers would eliminate the hourly UUNet fee and the toll-free access charge.

- **Web and Windows Virtualization on Shared Servers**

Virtualization provides the capability of creating multiple server instances on one physical server. The Web rate for this service is \$1,706 and the Windows rate is \$400.

- **Customer Owned Equipment Managed Service (COEMS)**

The COEMS service offering is the physical housing of customer-owned servers or telecommunications equipment in the secure environment at the Teale facility. Although the actual hardware/software is owned and managed by the customer, COEMS allows a department to take advantage of the physical infrastructure at the Data Center as an interim solution to fully managed services.

- **Virtual Tape System (VTS)**

VTS is a new data storage solution that is being used throughout the information technology industry. The VTS monthly rate of \$0.25 per virtual cartridge will be added once this service is made available to Teale customers during the first quarter of 2005. In addition, to encourage migration to VTS, the physical tape cartridge monthly rate will be revised from \$0.70 to \$1.50.

The Billing Rates Schedule, which is currently being updated to reflect the above changes, will be available on the Teale website at <http://www.teale.ca.gov/services/billing/> in early December 2004. For more information regarding the new service offerings at the Data Center or to request a printed copy of the Billing Rates package, please contact your Customer Relations Representative at (916) 464-3712 (CALNET 433-3712).

If you have any questions or require additional information, please call Colleen Field, Financial Analysis and Chargeback Systems Manager, at (916) 464-0997 (CALNET 433-0997).



ANN BARSOTTI
Acting Director

Attachments

STEPHEN P. TEALE DATA CENTER

UNIX MONTHLY RATE STRUCTURE

	Tier I 1 Processor 512 MB memory	Tier II 2 - 4 Processors	Tier III 4 - 8 Processors	Tier IV Partitioned System
Base System	\$1,690	\$3,240	\$4,165	\$6,990
Processor	not applicable	\$150	\$150	\$1,400/2 processors
Memory (per GB)	not applicable	\$100	\$100	\$100
Basic Storage* (JBOD, RAID0)	\$15/GB	\$15/GB	\$15/GB	\$15/GB
RAID5 Storage	\$20/GB	\$20/GB	\$20/GB	\$20/GB
Mirrored Storage (RAID1)	\$25/GB	\$25/GB	\$25/GB	\$25/GB
One-Time Setup	\$460	\$460	\$460	\$460
Oracle Support (per Database Instance)	\$814	\$814	\$814	\$814
Oracle License (per Processor)	\$1,250	\$1,250	\$1,250	\$1,250

* Not available for database storage

STEPHEN P. TEALE DATA CENTER

AIX MONTHLY RATE STRUCTURE

	Tier I 1 Processor	Tier II 2 Processors	Tier III 4 or 6 Processors	Tier IV 8+ Processors
Base System	\$2,480	\$4,320	\$7,990	\$15,330
Processor	\$290	\$290	\$290	\$290
Memory (per GB)	\$75	\$75	\$75	\$75
Basic Storage* (JBOD, RAID0)	\$15/GB	\$15/GB	\$15/GB	\$15/GB
RAID5 Storage	\$20/GB	\$20/GB	\$20/GB	\$20/GB
Mirrored Storage (RAID1)	\$25/GB	\$25/GB	\$25/GB	\$25/GB
One-Time Setup	\$460	\$460	\$460	\$460

* Not available for database storage